

RuralAmerica

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As we enter a new century, it is appropriate to review where we have been and in what direction we are likely to go. This issue of *Rural America* begins with an article by David Freshwater looking at what factors have brought change to rural areas over the past century and what strategies might be best in shaping rural policy for the next century. Rural America, once almost synonymous with agriculture, has been dramatically changed by technology, urbanization, the shift to a service economy, globalization, and a number of other developments. For rural areas to remain vital, policymakers must deal with these changes. Doing so, however, will not be easy. It will require gaining urban support for rural interests, building coalitions, and crafting policies with the flexibility to address the growing diversity of rural conditions.

One of the more promising trends of the 1990's has been a renewal of migration to rural areas, after a decade of net outmigration. F. Larry Leistritz and his coauthors use a new survey of recent migrants to Nebraska and North Dakota to better understand who is moving to rural counties in these States and what motivates them. They found that, as a group, immigrants were younger and better educated than the overall population for those States. Quality-of-life factors—especially safe communities, closeness to relatives, and the natural environment—were usually more important than economic ones. These findings complement previous articles in *Rural Development Perspectives* issues dealing with the Great Plains (June 1998) and the West (August 1999).

Two articles address rural transportation issues. Fred Gale and Dennis Brown report on the problems that rural businesses have with airport service. ERS's 1996 Rural Manufacturing Survey found that the more rural a county is, the more likely it is that manufacturers there will cite poor airport access as a leading problem. Decisions on rural business development should take into account the importance of airport construction and regulation. Nina Glasgow examines the transportation patterns of older rural Americans, especially in New York State. Partly due to limited public transportation, older people in rural areas are even more likely to get around by car than their urban counterparts. Older people tend to regulate their driving as they age, driving less on highways and congested streets. As this population grows with the aging of Baby Boomers, policymakers will need to address the safety concerns of older drivers and find alternatives to private vehicles.

The farm sector has gone through substantial change in the past half century and so have debates on farm policy. Traditionally, farm policy has emphasized improvements in farm income through price or income supports, conservation programs, and other policies related to farm business decisions. Leslie Whitener and her coauthors explore several other ways by which a safety net might be built for low- to moderate-income farm households using regional median household income, 185 percent of the poverty line, average household expenditures, and median hourly earnings of the nonfarm self-employed. In general, these scenarios would benefit low-income farmers, though only one would cost less than current programs.

The final two articles deal with rural credit. Julie Dolan explores how the Gramm-Leach-Bliley Act of 1999 is likely to affect rural banks. The act gives rural banks broader access to low-cost advances from the Federal Home Loan Bank System. Although there are concerns that this new source of funds may lead to riskier loans by rural banks, the new legislation addresses the fear that increased competition in the banking industry may make it harder for rural banks to find local sources of funds. Finally, George Wallace discusses an unusual "sweat equity" loan program offered under USDA's Section 502 rural housing loan authority. This self-help program is especially popular among Hispanics in the West, where 10 to 12 borrowers get together to help each other build their homes. Most participants believe this program has helped them obtain improved housing in better neighborhoods at costs lower or similar to what they would have paid otherwise.

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